

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

JASON ROBERT WYLIE,
and LEAH S. WYLIE,

Debtors.

Case No. 20-49216

Chapter 7

Judge Thomas J. Tucker

TIMOTHY MILLER, TRUSTEE,

Plaintiff,

v.

Adv. Pro. No. 21-4234

KATHLEEN SULLIVAN, and
CHRISTOPHER SULLIVAN,

Defendants.

**ORDER DENYING DEFENDANTS' MOTION FOR
STAY OF THIS ADVERSARY PROCEEDING**

On September 20, 2021, the Court entered final orders in adversary proceeding nos. 21-4087 and 21-4088, which (1) denied the Defendants' motions for summary judgment in their entirety; and (2) granted the Plaintiff's motions for summary judgment on Counts I and III of the First Amended Complaint (Docket # 45 in Adv. No. 21-4087 and Docket # 44 in Adv. No. 21-4088 the "September 20 Orders"). The Court ruled that under 11 U.S.C. § 548(a)(1)(B), the Debtors in the related bankruptcy cases fraudulently transferred, to the Defendants Christopher Sullivan and Kathleen Sullivan, one-half interests in certain real property located in Scott County, Arkansas (the "Property"), within two years of the filing of the Debtors' bankruptcy

case, and the Court avoided such transfers under 11 U.S.C. § 550(a).¹ As a result of the Court's September 20 Orders, the bankruptcy estate now owns a one-half interest in the Property, and the Defendants Christopher Sullivan and Kathleen Sullivan each own separate one-half interests in certain portions of the Property.

On October 4, 2021, Defendants Christopher Sullivan and Kathleen Sullivan filed notices of appeal of the September 20 Orders (Docket # 46 in Adv. No.21-4087 and Docket # 45 in Adv. No. 21-4088). On November 30, 2021, the Defendants filed a motion for stay pending appeal in each of the other two adversary proceedings. Today the Court has denied those two motions.

In this adversary proceeding the Plaintiff Chapter 7 Trustee filed a complaint against the Defendants seeking, in relevant part, to recover possession of the Property from the Defendant Christopher Sullivan and his wife, and the authority to sell both the Debtors' interest and the interests of the Defendants in the Property under 11 U.S.C. § 363(h) for the benefit of the bankruptcy estate. This adversary proceeding currently is scheduled for a trial to be held on March 8, 2022.

On November 10, 2021, the Plaintiff filed a motion for summary judgment (Docket # 10). On November 22, 2021, the Defendants filed a response to the Plaintiff's summary judgment motion (Docket # 15). Today (December 13, 2021), the Plaintiff filed a reply brief in support of his summary judgment motion (Docket # 22). The Court has not yet scheduled a hearing on that motion.

This adversary proceeding is before the Court on the Defendants' motion entitled "Motion for Stay of sale Pending Appeal," filed November 30, 2021 (Docket # 18, the "Stay

¹ See Docket ## 44, 45.

Motion”). The Court will deny the Stay Motion, because (1) the Court today has denied the motions for a stay pending appeal in the other two adversary cases in which these Defendants are Defendants; (2) no final order has been entered in this adversary proceeding; (3) there is no appeal pending in this adversary proceeding; and (4) the Defendants have not demonstrated good cause for a stay of this adversary proceeding.

Accordingly,

IT IS ORDERED that the Stay Motion (Docket # 18) is denied.

Signed on December 13, 2021



/s/ Thomas J. Tucker

Thomas J. Tucker
United States Bankruptcy Judge